



DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-40-2014)

Foreign-Trade Zone 38 – Spartanburg County, South Carolina
Application for Production Authority
Subzone 38G
Kravet Inc.
(Commercial Samples)
Anderson, South Carolina

An application has been submitted to the Foreign-Trade Zones (FTZ) Board by the South Carolina State Ports Authority, grantee of FTZ 38, requesting production authority on behalf of Kravet Inc. (Kravet), within Subzone 38G located in Anderson, South Carolina. The application conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.23) was docketed on May 20, 2014.

The Kravet facility (275 employees, 66.5 acres) is located within Subzone 38G. The facility is used for the cutting and tagging of textiles, paper wall coverings and decorative trimmings to be used as samples. Production under FTZ procedures could exempt Kravet from customs duty payments on the foreign components used in export production. The company anticipates that some 12 percent of the plant's shipments will be exported. On its domestic sales, Kravet would be able to choose the duty rates during customs entry procedures that apply to commercial samples of fabric, paper wall coverings and decorative trimmings (duty-free) for the foreign inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment. The request indicates that the savings from FTZ procedures would help improve the plant's international competitiveness.

Components and materials sourced from abroad (representing 20% of the value of the finished product) include: vinyl-based decorative wall coverings; imitation patent leather, PVC-based and polyurethane-based decorative upholstery products; aniline dyed leather hides; leather hides for upholstery use; decorative wallpapers; silk-based fabrics for upholstery or drapery use; wool-based, horsehair-based and striped cotton decorative upholstery fabrics; boucle-style cotton/poly decorative

upholstery fabrics; printed cotton and embroidered satin twill decorative multipurpose fabrics; sheer cotton decorative drapery fabrics; cotton-based, cotton-texture, cotton twill, printed cotton-blend, cotton-blend and cotton decorative multipurpose fabrics; printed and embroidered cotton decorative multipurpose fabrics; plain textured cotton decorative multipurpose fabrics; cotton denim decorative upholstery fabrics; cotton texture and velvet decorative upholstery fabrics; printed and embroidered cotton decorative multipurpose fabrics; cotton blend decorative drapery fabrics; cotton blend textured or embroidered decorative multipurpose fabrics; cotton blend satin decorative multipurpose fabrics; embroidered linen decorative upholstery fabrics; cotton blend ottoman decorative multipurpose fabrics; cotton blend decorative upholstery fabrics; cotton, cotton-blend, cotton-texture, and cotton blend textured decorative upholstery fabrics; cotton and silk blend decorative upholstery fabrics; cotton and linen blend decorative upholstery fabrics; cotton and linen blend printed decorative upholstery fabrics; embroidered linen decorative drapery fabrics; linen blend embroidered decorative drapery fabrics; cotton blend embroidered decorative drapery fabrics; linen and linen blend decorative multipurpose fabrics; raffia decorative wallcoverings; grasscloth decorative wallcoverings; hemp, jute and/or cellulose blend decorative wallcoverings and fabrics; cellulose raffia decorative wallcoverings; polyester decorative drapery fabrics; outdoor decorative upholstery fabrics; embroidered polyester decorative upholstery fabrics; nylon-based faux suede decorative upholstery fabrics; polyester decorative upholstery, multipurpose and drapery fabrics; viscose or polyester blend decorative upholstery fabrics; polyester sheers/casements decorative drapery fabrics; polyester blend decorative drapery, multipurpose and upholstery fabrics; polyester blend sheer/casement decorative drapery fabrics; embroidered polyester blend decorative multipurpose fabrics; polyester blend chenille decorative multipurpose fabrics; viscose or rayon blend decorative multipurpose fabrics; rayon blend decorative drapery fabrics; rayon/viscose blend textured decorative upholstery fabrics; rayon/viscose blend decorative upholstery fabrics; viscose/silk blend sheer/casements decorative drapery fabrics; rayon/linen blend embroidered decorative multipurpose fabrics; linen/viscose blend embroidered decorative drapery fabrics; cotton/poly blend

sheer/casement decorative drapery fabrics; poly/linen blend sheer/casement decorative drapery fabrics; polyester or poly blend decorative multipurpose fabrics; acrylic or acrylic blend decorative upholstery fabrics; poly/acrylic blend decorative upholstery fabrics; poly/cotton blend sheer/casement decorative drapery fabrics; viscose/linen blend decorative upholstery fabrics; polyester and poly/linen blend sheer/casement decorative multipurpose fabrics; polyester blend decorative multipurpose fabrics; polyester/wool blend decorative upholstery fabrics; polyester/linen blend decorative multipurpose fabrics; acrylic/wool blend decorative upholstery fabrics; poly blend decorative multipurpose fabrics; viscose blend velvet decorative upholstery fabrics; viscose decorative upholstery fabrics; viscose or rayon blend decorative upholstery, multipurpose or drapery fabrics; viscose or polyester blend decorative multipurpose fabrics; rayon/poly blend decorative multipurpose fabrics; viscose/linen blend decorative upholstery fabrics; viscose blend decorative upholstery fabrics; polyester or poly blend faux suede decorative upholstery fabrics; flocked decorative wallpaper; nylon or poly blend faux suede decorative upholstery fabrics; decorative trimmings; mohair, chenille, silk velvet or velvet decorative upholstery fabrics; sheer poly decorative drapery fabrics; velvet and/or chenille decorative upholstery fabrics; sheer/casement decorative drapery fabrics; decorative tapes; metallic silk sheer decorative drapery fabrics; embroidered or crewel decorative multipurpose fabrics; linen or cotton blend embroidered decorative multipurpose fabrics; quilted decorative upholstery fabrics; vinyl decorative upholstery goods; decorative textile wallcoverings; high-durability decorative upholstery fabrics; blackout/lining drapery fabrics; faux fur decorative multipurpose fabrics; sheer/casement decorative drapery fabrics; velvet/faux suede decorative upholstery fabrics; and, decorative glass bead trimmings (duty rate ranges from duty-free to 25%).

In accordance with the FTZ Board's regulations, Elizabeth Whiteman of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the FTZ Board.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to **[INSERT 75 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: May 20, 2014.

Andrew
McGilvray
Executive Secretary